(b) if so, the major areas of difference in the conclusions drawn by both the Committees and the action proposed to be taken by Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRIMATI VASUNDHARA RAJE): (a) The new committee report (Dr. S.P.Gupta) is not yet finalised.

(b) Does not arise.

**Swaminathan Committee Report on farm subsidies**

2031. SHRI PREM CHAND GUPTA: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that the Swaminathan Committee on Agriculture has recommended redeployment of farm subsidies given on electricty and irrigation to technology transfer and development of farm resources;

(b) whether the report states that declining Gross Capital Formation (GCF) was adversely affecting growth rate and high yield technology; and

(c) if so, what are the details of such recommendations?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRIMATI VASUNDHARA RAJE): (a) The Streering Group on Agriculture and Allied Sectors constituted for the formulation of the X Five Year Plan under the Chairmanship of Prof. M.S. Swaminathan has observed that some of the subsidies like free electricity for ground water use and canal irrigation water have affected adversely on natural resources. Such subsidies have also affected on the resources of the States. Whereas subsidies to the farmers may be desirable to help them adopt improved production technologies and promote entrepreneureship, the ones which are affecting adversely on natural resources need to be redeployed and diverted for other activities having direct beneficial effect on technology transfer, developing on-farm resources, diversification, generating employment and income to rural poor and sustainability of natural resources. Levying of user charges to at least recover the cost of operation and maintenance could help increase the use of

efficiency of inputs/resources. Similarly, the use of MSP (Minimum Support Prices) operation could help bring diversification to crops/ cropping system suitable under an agro-climatic conditions and land and water resources.

(b) In the report of the Steering Group on Agriculture and Allied Sectors it has been stated that the decreasing investments in agriculture in the form of Gross Capital Formation (GCF), which is affecting the development of infrastructure, productivity, processing and value addition, is an area of great concern.

(c) The Steering Group on 'Agriculture and Allied Sectors', has recommended that if a higher growth rate in the agricultural sector is to be achieved more investments have to be made specially for the development of infrastructure like irrigation, conservation and development of natural resources like water, land and bio-diversity together with the improvement of environment. Besides, public investment in technology, training and trade facilities has also to be enhanced so as to put the agriculture sector on the fast track of growth.

**Reduction in regional imbalances**

2032. SHRI K.M. SAIFULLAH: Will the PRIME MINISTER be pleased to state the action taken to reduce regional imbalance and on creation of infrastructure to prevent migration of people to urban areas?

THE MINISTER OF STATE IN THE MINISTRY OF PLANNING (SHRIMATI VASUNDHARA RAJE): The planning and development of the area and allocation of funds for the purpose are primarily the responsibility of the concerned State Government. However, the Central Government supplements the efforts of the State Governments in the reduction of regional imbalances through weightage in the formula used for distribution of Central Assistance. Further various programmes have been formulated to deal with the special problems of identified areas such as the Tribal Sub-Plan, the Border Area Development Programme, Hill Areas Development Programme, Desert Development Programme/Drought-Prone Areas